



# BUDGET COMMITTEE



Judd Gregg, Ranking Member  
<http://budget.senate.gov/republican>

Contact: Betsy Holahan (202)224-6011

**For Immediate Release**

**August 2, 2007**

## **GREGG COMMENTS ON PASSAGE OF SCHIP REAUTHORIZATION**

WASHINGTON - U.S. Senator Judd Gregg (R-NH) today made the following statement upon Senate passage of the State Children's Health Insurance Program reauthorization.

Senator Gregg stated, "It is essential that the State Children's Health Insurance Program (SCHIP) be reauthorized to ensure that more low-income children get health insurance. Unfortunately, the legislation as prepared by my Democratic colleagues in the Senate sets a dangerous precedent for the direction of our nation's healthcare and the reauthorization of this important program. I do not support a plan which radically expands the SCHIP program into a new, larger entitlement for adults and higher income people; which takes people who already have health insurance and puts them on a public program; which moves us in the direction towards single-payer, nationalized healthcare; and which includes budgetary gimmicks that hide the true cost of the program and further burdens our children's future.

"SCHIP should be focused on providing children of low economic means with the assistance they need to get health insurance, and on those children who do not have insurance already. There is no reason to take people off of private insurance and put them on publicly-funded insurance. However, under the Senate bill, 2.3 million of the 4.5 million children who join SCHIP already have health coverage. Under the Senate bill, the cost to the taxpayer per child of providing health care will be an astounding \$3,950. In comparison, the average cost of insuring a child for one year is \$1,130 in the private sector. Why the taxpayers should have to pick up the higher cost of insurance is not clear.

"Likewise, the House proposal is a massive spending increase in entitlement spending that more than doubles the Senate bill with \$81 billion in new spending over five years in SCHIP, Medicare and Medicaid programs. More importantly, it pits seniors against children by slashing nearly \$200 billion from Medicare to pay for this expansion by cutting reimbursements to everything from hospitals and nursing homes to Medicare Advantage plans, impacting the neediest seniors to expand SCHIP into the middle class and to non-citizens.

"The true purpose of this expensive expansion of the SCHIP program was stated by Senator Max Baucus (D-MT), the Democratic Chairman of the Finance Committee, when he said 'We're the only country in the industrialized world that does not have universal

coverage. I think the Children's Health Insurance Program is another step to move toward universal coverage. Everyone realizes that the goal of this legislation moves us a giant step further down the road to nationalizing healthcare, which would result in a drop in quality and in rationing.'

"Not only does the Senate bill take a giant leap towards nationalizing the health care system, crowding out the private market and raising costs due to a lack of competition, but it promotes the misuse of this federal program to cover adults. The bill hides the true \$110 billion price tag with a budgetary gimmick. There is \$40 billion in spending that is not paid for. This will have an enormous impact on those who will have to pay for it: our children. The alternative proposal, which I supported, would have aided 1.3 million kids and was completely paid for without budgetary gimmicks. Our proposal did not move kids with existing private insurance onto the federal programs. We should not be saddling future generations, the very children this program purports to care for, with the type of unfunded mandate created by this liberal proposal."

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